NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE TIS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OF YOURS DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) — Paid-Up With 640 Acres Pooling Provision

> COUNTYR PAID-UP OIL AND GAS LEASE (No Surface Use)

THIS LEASE AGREEMENT is made this 19<sup>th</sup> day of October, 2010, by and between Mission Metroplex Inc., a Texas non-profit corporation whose address is 210 W. South Street, Arlington, TX 76010, as Lessor, and AXIA LAND SERVICES, L.L.C., 801 Cherry Street, Suite 3850, Unit 39, Fort Worth, Texas 76102, as Lessee. All printed portions of this lease were prepared by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

In consideration of a cash bonus in hand paid and the covenants herein contained, Lessor hereby grants, leases and lets exclusively to Lessee the following described land, hereinafter called leased premises:

#### THE LAND INCLUDED HEREIN ARE REFLECTED ON EXHIBIT "A" ATTACHED HERTO AND MADE A PART HEREOF:

in the County of Tarrant, State of TEXAS, containing 5.5379 gross acres, more or less (including any interests therein which Lessor may hereafter acquire by reversion prescription or otherwise), for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and non hydrocarbon substances produced in association therewith (including geophysical/seismic operations). The term "gas" as used herein includes helium, carbon dioxide and other commercial gases, as well as hydrocarbon gases. In addition to the above-described leased premises, this lease also covers accretions and any small strips or parcels of land now or hereafter owned by Lessor which are contiguous or adjacent to the above-described leased premises, and, in consideration of the aforementioned cash bonus, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining

the amount of any shut-in royalties hereunder, the number of gross acres above specified shall be deemed correct, whether actually more or less.

2. This lease, which is a "paid-up" lease requiring no rentals, shall be in force for a primary term of three (3) years from the date hereof, and for as long thereafter as oil or gas or other substances covered hereby are produced in paying quantities from the leased premises or from lands pooled therewith or this lease is otherwise maintained in

- of gas of outer substances covered nerety are produced in paying quantities from the leased premises or from lands pooled therewith or this lease is otherwise maintained in effect pursuant to the provisions hereof.

  3. Royalites on oil, gas and other substances produced and saved hereunder shall be paid by Lessee to Lessor as follows:

  (a) For oil and other liquid hydrocarbons separated at Lessee's separator facilities, the royalty shall be twenty-five percent (25%) of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead market proceded for production of interest paying the same field, then in the near set field in which there is such a prevailing price port production of similar grade and gravity; (b) for gas (including casinghead gas) and all other substances covered hereby, the royalty shall be twenty-five percent (25%) of the proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valored taxes and protein, processing or otherwise marketing such gas or other substances, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then the nearest field in which there is such a prevailing price) pursuant to comparable purchase contracts entered into on the same or nearest preceding date as the date on which Lessee commences its purchases hereunder, and (c) if at the end of the primary term or any time thereafter one or more wells on the leased premises or lands producing the prevailing in the same field, then the same facility of the price of the effect pursuant to the provisions hereof.

  3. Royalties on oil, gas and other substances produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons

- deather the commencement of production, whenever Lessee deems it necessary or proper to do so in order to production or poerate the leased premises, whether or not similar pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for a gas well or horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for a gas well or horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10% and for a gas well or horizontal completion shall not exceed 840 acres plus a maximum acreage tolerance of 10% and for a gas well or horizontal completion shall not exceed 840 acres plus a maximum acreage for an exceed 840 acres plus a maximum acreage for an exceed for an exceed 840 acres plus a maximum acreage for an exceed for an exceed 840 acres plus a maximum acreage for an exceed for an exceed for an exceed shall not exceed 840 acres plus a maximum acreage for an exceed for an exceed shall not exceed 840 acres plus a maximum acreage for an exceed shall not exceed 840 acres plus a maximum acreage for an exceed shall not exceed 840 acres plus a maximum acreage for an exceed shall not exceed 840 acres plus a maximum acreage for an exceed shall not exceed 840 acres plus a maximum acreage for an exceed shall not exceed 840 acres plus a maximum acreage for an exceed shall not exceed 840 acres plus a maximum acreage for an exceed shall not exceed 840 acres plus a maximum acreage for an exceed shall not exceed 840 acres plus a maximum acreage for an exceed shall not exceed 840 acres plus a maximum acreage for an exceed shall not exceed shall unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%; provided that a larger unit may be formed for an oil well or a horizontal completion shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that a larger unit may be formed for an oil well or gas well or a horizontal completion to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. For the purpose of the foregoing, the terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or the appropriate governmental authority, or, if no definition is so prescribed, "oil well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet per barrel and "gas well" me

7. If Lessor owns less than the full mineral estate in all or any part of the leased premises, the royalties and shut-in royalties payable hereunder for any well on any part of the leased premises or lands pooled therewith shall be reduced to the proportion that Lessor's interest in such part of the leased premises bears to the full mineral estate in

of the leased premises or lands pooled therewith shall be reduced to the proportion that Lessor's interest in such part of the leased premises or lands pooled therewith shall be reduced to the proportion that Lessor's interest in such part of the leased premises.

8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee on the lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferres to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

9. Lessee may, at any time and from time to time, deliver to Lessor or file of reco





If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and agrees along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, and the lessed premises or lands pooled therewith. Well the lessed premises or lands pooled therewith, in an advanced to the part of the lessed premises or lands pooled therewith, the ancillary rights granted therein shall apply (a) to the entire lesses of the lands used by Lessee hereunder, without Lessor's consent, and Lessee shall bury to the leased premises or lands pooled therewith. When requested by Lessor in writing, Lessee shall bury to the lease dipremises or lands pooled therewith. When requested by Lessor in writing, from the leased premises or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or

15. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.

Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other 16.

17. Lessor, and their successors and assigns, hereby grants Lessee an option to extend the primary term of this lease for an additional period of 2 years from the end of the primary term by paying or tendering to Lessor prior to the end of the primary term the same bonus consideration, terms and conditions as granted for this lease.

18. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

19. See attached Addendum Exhibit "B"

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and ras owners. lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor

LESSOR: Mission Metroplex Inc., a Texas non-profit corporation

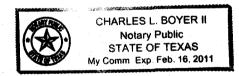
lie Burgin

As Director of Mission Metroplex Inc., a Texas non-profit corporation

CORPORATE ACKNOWLEDGMENT

STATE OF TEXAS COUNTY OF TARRANT

This instrument was acknowledged before me on the 27day of October, 2010, by Tillie Burgin, as Director of Mission Metroplex Inc., a Texas non-profit corporation.



RECORDING INFORMATION

STATE OF TEXAS

County of

This instrument was filed for record on the \_ o'clock \_ records of this office. . Page

Clerk (or Deputy)

RETURN TO: Axia Land Services, LLC 500 E. Border Street, Suite 640

Arlington, Texas 76010

## Exhibit "A" Legal Description of Subject Land

Attached to made a part of a certain OIL AND GAS LEASE, Dated October 19th, 2010 by and between Mission Metroplex Inc., a Texas non-profit corporation, as LESSOR, and Axia Land Services, LLC, as LESSEE.

#### LAND DESCRIPTION:

#### 5.5379 acres of land, more or less, being further described as:

#### Tract 1

**2.5379** acres, more or less, being a called <u>1.895</u> acres, out of the <u>J. Huitt</u> Survey, <u>A-703</u>, Tarrant County, Texas as described as Tract 1, a 1.895 acre tract of land, being all of lots Lot <u>1 & 2</u>, Block <u>91</u>, Lot <u>1</u>, Block <u>112</u>, <u>Original Town of Arlington</u> Addition, according to the plat recorded in Volume <u>388</u>, Page <u>26</u>, Plat Records, Tarrant County, Texas (P.R.T.C.T.), being a portion of Indiana Street vacated by Ordinance No. 79-174, and being all of Lots 1-5 and portions of Lots 6, 11-16 and Lassater St, George Lampes Addition, and addition to the City of Arlington, Texas, recorded by plat in Volume 204, Page 23, P.R.T.C.T. and being all of the tracts described in the deeds to Southwestern Bell Telephone Company recorded in Volume 4005, Page 583, Volume 4277, Page 127, Volume 4115, Page 439, Volume 4437, Page 152, Volume 6326, page 947, Volume 4410, Page 296, Deed Records, Tarrant County Texas, and being more particularly described in that certain SPECIAL WARRANTY DEED WITH VENDOR'S LIEN dated July 15, 2005 from SOUTHWESTERN BELL TELEPHONE, LP, a Texas limited partnership successor in interest to SOUTHWESTERN BELL TELEPHONE COMPANY, a Missouri corporation (See Addendum 1) to MISSION METROPLEX, INC., a Texas non profit corporation, as recorded in Document No, D205214528, Official Public Records, Tarrant County, Texas.

#### Tract 2

<u>0.2921</u> acres, more or less, out of the <u>J. Huitt</u> Survey, <u>A-703</u>, Tarrant County, Texas and being Lot <u>6</u>, Block <u>93</u>, <u>Original Town of Arlington</u> Addition, according to the plat recorded in Volume <u>388</u>, Page <u>26</u>, Plat Records, Tarrant County, Texas; together with the North 12.5 feet of that portion of a 25 foot alley adjacent to the South line of said Lot 6, Block <u>93</u>, as abandoned by the City of Arlington on December 20, 1999 by instrument recorded in Volume 14154, Page 164, Deed Records, Tarrant County, Texas, and being more particularly described in that certain GIFT DEED dated June <u>29</u>, 2004 from W.I. COOK FOUNDATION, INC., A Texas non-profit corporation, also known as W.I. Cook Foundation, acting herein by and through its duly authorized officer to MISSION METROPLEX, INC., as recorded in Document No, D204205907, Official Public Records, Tarrant County, Texas.

#### **Tract 3**

1.3559 acres, more or less, being a called 0.688 out of the J. Huitt Survey, A-703, Tarrant County, Texas as described as Tract 2, a 0.866 acre tract of land, being all of Lots 1 & 2 Block 110 Original Town of Arlington, an addition to the City of Arlington, Texas, recorded by Plat in Volume 388, Page 26, Plat Records, Tarrant County, Texas (P.R.T.C.T.), being all of lot 3-R, Block 110, Original Town, recorded in Volume 388-96, Page 25, P.R.T.C.T., and being more particularly described in that certain SPECIAL WARRANTY DEED WITH VENDOR'S LIEN dated July 15, 2005 from SOUTHWESTERN BELL TELEPHONE, LP, a Texas limited partnership successor in interest to SOUTHWESTERN BELL TELEPHONE COMPANY, a Missouri corporation (See Addendum 1) to MISSION METROPLEX, INC., a Texas non profit corporation, as recorded in Document No, D205214528, Official Public Records, Tarrant County, Texas.

#### Tract 4

<u>0.4726</u> acres, more or less, out of the <u>J. Huitt</u> Survey, <u>A-703</u>, Tarrant County, Texas and being Lot <u>1 & 2</u>, Block <u>111</u>, <u>ORIGINAL TOWN OF ARLINGTON</u> Addition, according to the plat recorded in Volume <u>388</u>, Page <u>26</u>, Plat Records, Tarrant County, Texas and being more particularly described in that certain SPECIAL WARRANTY DEED dated July 5, 2006 from J. STEPHEN HARTE AND SHERRILL MILLER, INDIVIDUALLY AND AS CO-EXECUTORS OF THE ESTATE OF THE C. WADE MCCOY, DECEASED to MISSION METROPLEX, INC., as recorded in Document No, D206201000, Official Public Records, Tarrant County, Texas.

#### Tract 5

**0.8794** acres, more or less, being a called <u>0.7461</u> acres, out of the <u>J. Huitt</u> Survey, <u>A-703</u>, Tarrant County, Texas and being all of LOTS <u>14, 15, & 16</u>, BLOCK <u>1</u>, MASONIC HEIGHTS ADDITION, an addition to the city of Arlington, according to the plat recorded in Volume <u>388-19</u>, Page <u>17</u>, Plat Records, Tarrant County, Texas and being more particularly described in that certain WARRANTY DEED dated March 10, 1999 from Neal and Colleen Irvin to MISSION METROPLEX, INC., as recorded in Document No, D199062804, Official Public Records, Tarrant County, Texas.

RETURN TO: Axia Land Services, LLC 500 E. Border Street, Suite 640 Arlington, Texas 76010

# Exhibit "B" Addendum

ATTACHED HERETO and made a part hereof to that certain Oil and Gas Lease dated October 19, 2010, by Mission Metroplex Inc., a Texas non-profit corporation, Lessor, and AXIA LAND SERVICES L.L.C., 801 Cherry Street, Suite 3850, Unit 39, Fort Worth, Texas 76102, as "Lessee."

#### ADDITIONAL PROVISIONS:

#### **No-Deduct Royalty**

(a) It is agreed between the Lessor and Lessee that, notwithstanding any language herein to the contrary, all oil, gas or other proceeds accruing to the Lessor under this lease or by state law shall be without deduction for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting, and marketing the oil, gas and other products produced hereunder to transform the product into marketable form; however, any such costs incurred on an unaffiliated interstate or intrastate gas pipeline which result in enhancing the value of the marketable oil, gas or other products to receive a better price may be deducted from Lessor's share of production so long as they are based on Lessee's actual cost of such enhancements.

Mission Metroplex Inc., a Texas non-profit corporation

RETURN TO: Axia Land Services, LLC 500 E. Border Street, Suite 640 Arlington, Texas 76010

#### SUZANNE HENDERSON

**COUNTY CLERK** 



100 West Weatherford Fort Worth, TX 76196-0401

PHONE (817) 884-1195

**AXIA LAND SRVS LLC** 500 E BORDER STREET 640 ARLINGTON, TX 76010

Submitter: AXIA LAND SERVICES, LLC

### **DO NOT DESTROY** WARNING - THIS IS PART OF THE OFFICIAL RECORD.

Filed For Registration:

11/22/2010 10:04

AM

Instrument #:

D210288587

LSE

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**PGS** 

\$28.00

Denless

D210288587

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

Prepared by: DBWARD